

**REMARKS**

- Claims 1 – 76 are currently pending in the Application.
- Of the pending claims, only claims 1, 12, 21, 33 – 35, 37, 38, 43, 45, 47 – 49, 51, 56, 58, 60 – 62, 64, 69, 71 and 73 – 75 are independent.
- All pending claims stand rejected.

**1. Section 101 Rejection**

Claims 1 – 36 stand rejected under 35 U.S.C. §101 as being directed to non-statutory subject matter. As a basis for the rejection, the Examiner has asserted that the rejected claims are not within the technological arts because “the claimed steps of arranging, receiving and determining can all be done by hand.” Current Office Action, page 2. The Examiner appears to be asserting that, in order for the claims to be directed to statutory subject matter, “the claims must utilize technology in a non-trivial manner.”

Applicants respectfully reiterate the position, from the response to the Previous Office Action, that (i) the only current test for statutory subject matter is that the claims produce a useful, concrete and tangible result, and (ii) the rejected claims do in fact produce a useful, concrete and tangible result (e.g., determining to accept an offer, determining an offer, determining an assigned third party, receiving authorization, transmitting redemption information, transmitting an acceptance of an offer). The Examiner has not cited any statutory, regulatory or precedential case law basis either contradicting Applicants’ position regarding the proper §101 test or supporting the Examiner’s proposed test. Further, the

Examiner has not disagreed with Applicants that the rejected claims do produce a useful, concrete and tangible result.

Nevertheless, solely to expedite allowance of the pending claims, Applicants have herein amended each of the claims rejected under §101 to “recite technology in a non-trivial manner.” Specifically, Applicants have amended each of claims **1, 12, 33, 34 and 35** to recite that information is either transmitted or received “via a communication network.” Accordingly, Applicants respectfully submit that claims **1 – 36** now satisfy the Examiner’s proposed requirements under §101. Applicants expressly reserve the right to pursue the subject matter of claims **1 – 36** as pending before this amendment in a continuing application.

## **2. Section 103 Rejection**

Claims **1 – 76** stand rejected under 35 U.S.C. §103(a) as being unpatentable over U.S. Patent No. 6,512,570 to Garfinkle et al. (“Garfinkle” herein) in view of Official Notice. Applicants respectfully traverse this rejection for the reasons set forth below.

### 2(a). References do not teach or suggest all claim limitations

Applicants have amended the pending independent claims to expressly recite what was already inherently included therein:

- that the information relating to a redemption of a product is information related to a redemption “that has occurred” (claims **1, 12, 21, 34, 35, 37, 38, 43, 45, 48, 49, 51, 56, 58, 62, 64, 69, 71, 74 and 75**);

- that the information relating to providing a product is “information indicating that the product has been provided to the customer” (claims **33, 47, 60 and 73**); and
- that the redemption information relates “to the obtainment of the product that has occurred” (claim **61**).

In other words, the information in question in each of the claims is information about a redemption or obtainment of a product that has already occurred. Further, this information about a redemption or obtainment of a product is used for various specified subsequent purposes (e.g., determining whether to accept an offer, in claim 1).

The claimed embodiments of Applicants’ invention are advantageous in that they allow a receipt of information relating to a redemption that has occurred, and usage of that information for various purposes. This allows more informed decision-making based on information about a past redemption or obtainment of a product. For example, gasoline prices tend to fluctuate frequently. It would therefore be advantageous to a system that accepts offers to purchase gasoline based on whether the offer price is within a predetermined range of a retail price of the gasoline at a particular retailer to be able to update the retail price of the gasoline in a convenient manner. Applicants have recognized that such information may be included in redemption information that is transmitted to such a system. Thus, the system may be informed of any changes to the retail price when the system is informed of a redemption of the gasoline (e.g., by a customer whose offer to purchase the gasoline was previously accepted). The updated retail price may thus be used, for example, to determine whether a subsequent offer to purchase gasoline should be accepted. This example has been provided solely to illustrate an implementation of a claimed embodiment.

Neither Garfinkle nor the Officially Noted subject matter teaches or suggests receiving or transmitting information about a redemption or obtainment of a product that has occurred, much less using the information for any of the purposes recited in the respective claims (e.g., determining to accept an offer (claim 1) or determining an offer (claim 12)). In Garfinkle, the only description of redemption information is within the context of a planned future redemption that has not yet occurred. For example, a customer may use any payment accepted by the retail outlet and a customer may provide a credit card payment online when placing an order to be picked up at the retailer, as a guarantee for the order. Col. 9, lines 35 – 40. This payment information, however, is payment information for a planned redemption that has not yet occurred.

2(b). Limitations improperly ignored

Applicants further traverse the §103(a) rejection of the claims on the grounds that a proper examination has not been provided. The Examiner has effectively ignored specific limitations of the claims and has not even attempted to show where in the prior art the specific limitations are taught or suggested. The Examiner has acknowledged that Garfinkle “does not mention the specific information limitations as detailed in the instant claims.” The Examiner goes on to assert, however, that it is old and well known in the art that many types of information may be transferred over the Internet to assure transactions are fulfilled. It would be obvious...to include in Garfinkle receiving the specific information limitations as detailed in the instant claims because information is critical to making sound decisions and assuring transactions are fulfilled properly, timely, and optimally.”

From a reading of the above statement it appears to Applicants that the Examiner is, in the rejection of claims 1 – 76, effectively ignoring or reading out

the specific limitations of the claims, without even attempting to show that the limitations are taught or suggested by the prior art. This is highly improper. As the Federal Circuit has made clear, the Patent and Trademark Office (PTO) must consider all claim limitations when determining patentability of an invention over the prior art. In re Lowry, 32 F.3d 1579 (Fed. Cir. 1994); In re Gulack, 703 F.2d 1381, 217 USPQ 401 (Fed. Cir. 1983).

2(c). Known genus does not necessarily render obvious particular species

Further, Applicants respectfully traverse the §103 rejection on the grounds that it is improperly based on an improper theory. the Examiner is advancing the highly novel, and unsupported, theory that because a genus is known (“it is known old and well known that many types of information may be transferred over the Internet”), therefore all species are also known or obvious. This is contrary to the law. See, for example, Corning Glass Works v. Sumitomo Electric U.S.A., Inc., 868 F.2d 1251 (Fed. Cir. 1989), in which the Court rejected this same argument (“Sumitomo's argument regarding inherency is, specifically, that the use of the term ‘dopant’ ..., together with a listing of polyvalent metal oxide dopants, “does not exclude germania.” We find Sumitomo's argument wholly meritless whether considered under section 102(b) or under 35 U.S.C. § 103 (1982) to which it makes a passing reference.”). That Court explicitly stated that a prior art reference “is a reference only for that which it teaches.” Id. See, also In re Benno, 768 F.2d 1340, 226 USPQ 683 (Fed. Cir. 1985): “A patent discloses only that which it describes, whether specifically or in general terms, so as to convey intelligence to one capable of understanding.”

Applicants note that the Examiner has failed to respond to this argument, which was made by Applicants in the response to the Previous Office Action.

2(d). No proper motivation to combine provided

Applicants further traverse the §103 rejection on the grounds that no proper motivation to modify Garfinkle has been provided. As Applicants argued in the response to the Previous Office Action, the Examiner's assertions that it would have been obvious to modify Garfinkle

- “because information is critical to making sound decisions and assuring transactions are fulfilled properly, timely, and optimally” (regarding claim 1)
- “because when ever a discount is accepted or offered below a retail price it is important to assure it not below a threshold amount to assure that money is not being lost on the transaction” (regarding claim 6)
- “because this would allow the central controller to establish which retailer will receive the sale and offer criteria rather than just randomly selecting a retailer” (regarding claim 32)

are mere broad conclusory statements of the Examiner's opinion and are therefore insufficient to establish a motivation to modify Garfinkle. See, for example, In re Deuel, 51 F.3d 1552 (Fed. Cir., 1995): “‘Obvious to try’ has long been held not to constitute obviousness. In re O'Farrell, 853 F.2d 894, 903, 7 USPQ2d 1673, 1680-81 (Fed. Cir. 1988). A general incentive does not make obvious a particular result, nor does the existence of techniques by which those efforts can be carried out.”

A proper motivation to modify or combine prior art requires particular findings of fact as to what teaching in the prior art would have motivated one of ordinary skill in the art, without using Applicants' disclosure as a blueprint for piecing together the prior art, to make the particular combination suggested. See,

for example, In re Fine, 5 USPQ2d 1596 (Fed. Cir. 1988); In re Jones, 21 USPQ2d 1941 (Fed. Cir. 1992); and In re Kotzab, 217 F.3d 1365, 1371, 55 U.S.P.Q.2d 1313, 1317 (Fed. Cir. 2000).

Since no proper motivation to modify Garfinkle has been provided, Applicants respectfully submit that no prima facie case of obviousness has been established and the §103(a) rejection is improper.

2(e). No prima facie case of any kind made out for most claims

Applicants still further traverse the §103 rejection regarding claims because the vast majority of the pending claims have not even been addressed in the Examiner's rejection. A reading of the rejection reveals that the Examiner has only addressed the limitations of claims 1, 6 and 32. The Examiner has not addressed the limitations of the remainder of the claims, other than by the perfunctory statement that "Garfinkle teaches all the limitations of the pending claims." Applicants, however, upon reading Garfinkle in its entirety, have been unable to find the teaching of all the pending claims.

### **3. Official Notice Traversal**

Regarding Applicant's traversal of the Official Notice in the First Office Action, the Examiner has asserted that no reference to support the officially noted subject matter is necessary because Applicant's traversal was not adequate. The Examiner further asserts that the Officially Noted subject matter is taken to be admitted prior art since Applicants did not adequately traverse. The Examiner cites *In Re Chevenard* (CCPA 1943) for the latter assertion.

First, Applicants respectfully disagree that Applicants' previous traversal was not adequate. Applicants agree that a "traverse" is "a denial of an opposing

party's allegations of fact." However, "If a party is without knowledge or information sufficient to form a belief as to the truth of an averment, the party shall so state and this has the effect of a denial." Fed. R. Civ. P. 8(b). Applicant's previous traversal amounted to an assertion that Applicants are without sufficient knowledge or information to believe the truth of the Official Notice and thus constituted an adequate traversal.

Second, Applicants respectfully submit that unsupported assertions do not constitute substantial evidence and thus cannot be taken as admitted prior art, irrespective of Applicants' adequate traversal or lack thereof.

If examination at the initial stage does not produce a *prima facie* case of unpatentability, then **without more** the applicant is entitled to grant of the patent. In re Oetiker, 977 F.2d 1443, 1445 (Fed. Cir. 1992) (emphasis added).

To reject claims in an application under section 103, an examiner must show an un rebutted *prima facie* case of obviousness. In re Rouffet, 149 F.3d 1350, 1355 (Fed. Cir. 1998).

Until a *prima facie* case has been made, Applicants have no duty to rebut or offer evidence showing patentability. In re Piasecki, 745 F.2d 1468 (Fed. Cir. 1984), quoting In re Surrey, 50 C.C.P.A. 1336, 319 F.2d 233, 235, 138 U.S.P.Q. (BNA) 67, 69 (CCPA 1963). "As a basic rule of evidence, **once** an inference of fact is established the burden of persuasion **shifts** to the applicant, who in turn must produce evidentiary facts." Id. See also In re Grabiak, 769 F.2d 729, 733, 226 USPQ 870, 873 (Fed. Cir. 1985) (the PTO did not establish a *prima facie* case of obviousness, and thus did not shift to Applicant the burden of coming forward with evidence).



To establish a *prima facie* case of obviousness, the Examiner must make certain factual findings, including that all of the claim limitations are taught by the prior art as a whole. *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991).” MPEP 2142. As the U.S. Supreme Court has recently made clear, factual findings of the PTO must be supported by substantial evidence. *Dickinson v. Zurko*, 527 U.S. 150 (1999).

Unsupported assertions do not constitute substantial evidence. As the Federal Circuit has made clear, "deficiencies of the cited references cannot be remedied by the Board's general conclusions about what is 'basic knowledge' or 'common sense.' ‘The Board's **findings** must extend to all material facts and **must be documented on the record**, lest the "haze of so-called expertise" acquire insulation from accountability. ‘Common knowledge and common sense,’ even if assumed to derive from the agency's expertise, do not substitute for authority when the law requires authority. *In re Lee*, 277 F.3d 1338 (Fed. Cir. 2002), *emphasis added*.

As stated above, if the Examiner fails to establish a *prima facie* case of obviousness, Appellants are under no obligation to prove the patentability of the claim. Accordingly, Applicants were under no obligation to traverse the Official Notice. Further, irrespective of whether Applicants traversed the Official Notice, the unsupported assertions remain unsupported assertions and thus do not qualify as substantial evidence irrespective of Applicants’ traversal or lack thereof and cannot be taken to be Admitted Prior Art.

Further, Applicants maintain that Applicants have insufficient information to form a belief as to whether the officially noted matter is “old and well known” and thus again request a reference in support thereof.

## Conclusion

For the foregoing reasons it is submitted that all of the claims are now in condition for allowance and the Examiner's early re-examination and reconsideration are respectfully requested.

Alternatively, if there remains any question regarding the present application or any of the cited references, or if the Examiner has any further suggestions for expediting allowance of the present application, the Examiner is cordially requested to contact Magdalena M. Fincham at telephone number (203) 461 - 7041 or via electronic mail at [mfincham@walkerdigital.com](mailto:mfincham@walkerdigital.com).

**Petition for Extension of Time to Respond**

Applicants hereby petition for a **two-month** extension of time with which to respond to the Office Action. If an additional extension of time is required in addition to that requested, please grant a petition for that extension of time which is required to make this Response timely.

Please charge as follows:

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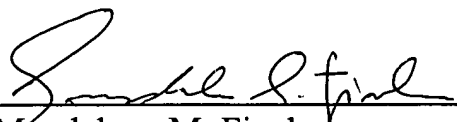
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Charge any additional fees or credit any overpayment to the same account.

*A duplicate copy of this authorization is enclosed for such purposes.*

Respectfully submitted,

August 18, 2004  
Date

  
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